



April 25, 2014

To: Executive Board

Subject: **Board Stipend Policy Revisions**

Recommendation

Recommend that the Governing Board revise the Foothill Transit Executive Board and Governing Board Members Stipend Policy as follows:

1. Increase the Executive Board stipend to \$150 per meeting effective July 1, 2014, not to exceed \$600 per month and increased annually based on the United States Department of Labor Consumer Price Index (CPI) for the Los Angeles Area; and
2. Increase the Governing Board stipend to \$150 per meeting effective July 1, 2014, not to exceed \$900 per year and increased annually based on CPI; and
3. Increase the stipend for Executive and Governing Board Alternates to \$150 when representing Foothill Transit business and increased annually based on CPI.

Analysis

The Foothill Transit Executive Board and Governing Board Members Stipend Policy states that the Governing Board is given the power to define stipend amounts for both the Executive Board and itself.

At its inaugural meeting in 1988, the Foothill Transit Zone approved stipends for Executive Board members at \$100 per meeting, limited to two meetings per month.

As Foothill Transit grew, Executive Board members spent a significant amount of time devoted to the business interests of Foothill Transit and its responsibilities. These responsibilities often competed or interfered with members' job duties and/or other commitments. In light of this, the Governing Board approved a motion on May 1, 1996 that allowed Executive Board members to receive stipends for "\$100 per meeting when representing the business interests of Foothill Transit, not to exceed four meetings per month and excluding ceremonial appearances."

On May 10, 2000, the Governing Board took action to allow Governing Board members to receive a stipend of \$100 per meeting when representing the business interests of Foothill Transit, not to exceed six meetings per year and excluding ceremonial appearances (**See Attachment**).



This policy has served Foothill Transit and its Board members well since the organization's formation. However, based on economics and considering the rate of inflation, the stipend should be increased. Based on the United States Department of Labor Bureau of Labor Statistics, \$100 in 1988 has the same buying power as \$199.74 in 2014 and \$100 in 1996 has the same buying power as \$150.60 in 2014.

In comparison; Metro Board members receive \$150 per meeting with a \$600 per month maximum; Metro Gold Line Foothill Extension Construction Authority Board members receive \$150 per meeting with a \$600 per month maximum; and the Alamada Corridor East (ACE) Construction Authority receive \$100 per meeting with a \$500 per month maximum. None of these agencies has an automatic adjustment based on CPI.

Budget Impact

The stipend increase will be included in the line item Board Stipends (5412) in Foothill Transit's FY 2015 and future budgets.

Sincerely,

A handwritten signature in blue ink, appearing to read "David Reyno".

David Reyno
Director of Government Relations

Attachment

A handwritten signature in blue ink, appearing to read "Doran J. Barnes".

Doran J. Barnes
Executive Director

Foothill Transit Executive Board and Governing Board Members Stipend Policy

~~Adopted May 10, 2000~~

Adopted May 21, 2014

The Governing Board is given the power to define stipend amounts for both the Executive Board and itself.

Executive Board Stipend Policy

~~The Governing Board approved a motion on May 1, 1996 that allowed **Executive Board members** to receive stipends for “\$100 per meeting when representing the business interests of Foothill Transit, **not to exceed four meetings per month** and excluding ceremonial appearances.”~~

Executive Board members shall receive a stipend of \$150 per meeting when representing the business interests of Foothill Transit, **not to exceed four meetings \$600 per month** and excluding ceremonial appearances.

~~At the May 10, 2000 Governing Board meeting, the Board clarified that the “business interests of Foothill Transit” shall include:~~

Business interests of Foothill Transit shall include

- Attendance at Executive Board ~~or cluster~~ meetings
- Attendance at Executive Board briefings
- Participation at relevant transit conferences
- Participation in transit “fact finding” trips
- Participation in legislative/public affairs activities

Further, **Executive Board alternates** who attend meetings in place of an Executive Board member are eligible for a stipend of ~~\$100~~ \$150 per meeting.

Governing Board Stipend Policy

~~Also at the May 10, 2000 meeting, the Board approved the following policy:~~

Governing Board members shall receive a stipend of ~~\$100~~ \$150 per meeting when representing the business interests of Foothill Transit, **not to exceed six meetings \$900 per year** and excluding ceremonial appearances. Governing Board members will not receive stipends for attendance at Executive Board meetings where they are not serving as an Executive Board alternate. In addition, a member of the Governing Board may not receive a stipend as both a Governing Board and Executive Board member for the same meeting.

The business interests of Foothill Transit for Governing Board members shall include:

- Attendance at Governing Board meetings ~~and hearings~~
- ~~Attendance at cluster breakfasts or other cluster activities~~

Governing Board alternates who attend meetings in place of a Governing Board member are eligible for a stipend of ~~\$100~~ \$150 per meeting.

Governing Board alternates shall receive a stipend of ~~\$100~~ \$150 per meeting when attending ~~cluster breakfasts or other cluster activities~~ update or informational meetings even if the Governing Board member is present at the same ~~activity~~ meeting, **not to exceed four meetings \$600 per year**. This provision excludes regular meetings of the governing or executive board.

The Governing Board and Executive Board member stipends shall be increased annually based on the United States Department of Labor Consumer Price Index (CPI) for the Los Angeles Area.